UNITED STATES DISTRICT COURT NORTHERN DISTRICT OF OHIO

PATRICIA A. STAYTON, : CASE NO. 1:18-cv-1976

Plaintiff,

vs. : OPINION & ORDER : [Resolving Doc. 15]

COMMISSIONER OF SOCIAL SECURITY,

Defendant. :

JAMES S. GWIN, UNITED STATES DISTRICT JUDGE:

In this Social Security case, counsel for Plaintiff Patricia Stayton seeks approval for \$13,225.75 in attorney's fees.¹ Respondent Commissioner does not oppose.²

This Court concludes that awarding \$13,225.75, or \$618.02 per hour, would be a windfall for the Plaintiff's attorney.

This Court **ORDERS** payment of attorney's fees at \$400 per hour for 21.4 hours totaling \$8,560.

I. Background

In 2018, Plaintiff Stayton challenged the Commissioner of Social Security's decision to deny her disability benefits.³ After Plaintiff filed her brief on the merits, the parties jointly stipulated that the case should be remanded to the Commissioner.⁴

¹ Doc. 15.

² Doc. 16.

³ Doc. 1.

⁴ Doc. 11.

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This Court remanded the case to the Commissioner.⁵ The Court also granted the parties' joint motion for Equal Access to Justice Act fees.⁶ Through that order, Plaintiff's counsel received \$3,978.07 in fees under 28 U.S.C. § 2412.

On remand, the Commissioner awarded the Plaintiff \$137,303 in past-due benefits.⁷

Plaintiff now asks this Court to approve allotting 9% of the award, or \$13,225.75, to her attorney.⁸

The contingency fee arrangement states that Plaintiff's counsel may collect up to 25% of past-due benefits after a decision in Plaintiff's favor. The fees award that Plaintiff's counsel now requests is the maximum amount that the contingency fee agreement authorizes. Plaintiff's counsel already received \$21,000 in fees for work before the Commissioner.

Plaintiff's counsel says that counsel will reimburse the \$3,978.07 in already-received fees to Plaintiff if this Court approves a greater award.¹¹

II. Legal Standard

This Court must determine a reasonable attorney's fee in this case.

In a typical Social Security action, a plaintiff sues the Commissioner for denying a benefits claim. When a plaintiff wins, she receives a payment of "past-due benefits" totaling what she would have received were her claim not originally denied.¹²

⁵ Doc. 12.

⁶ Doc. 14.

⁷ Doc. 15 at 1.

⁸ The contingency fee arrangement states that Plaintiff's counsel may collect up to 25% of past-due benefits after a decision in Plaintiff's favor. Doc. 15-4 at 1. Plaintiff's counsel already received \$21,100 in fees for work before the Commissioner. Doc. 15 at 1. Combined with the \$13,225.75, the requested total award would be \$34,325.75, or 25% of the award.

⁹ Doc. 15-4 at 1.

¹⁰ Doc. 15 at 1.

¹¹ Doc. **15** at 2.

¹² 42 U.S.C. § 404(a)(1)(B)(i).

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Under 42 U.S.C. § 406(b), an attorney may receive up to 25% of a past-due benefit award. However, courts must review the reasonableness of contingency fees, even if they fall within the statutorily allotted amount.¹³

In the Sixth Circuit, there is "a rebuttable presumption that an attorney would receive the full 25% contingency fee under contract unless . . . the attorney would enjoy an undeserved windfall due to the client's large back pay award or the attorney's relatively minimal effort."¹⁴

Factors courts consider in determining whether a contingency fee payout constitutes a windfall include (1) "the standard rates applied to social security fee requests;" ¹⁵ (2) whether an award is more than twice the standard hourly rate; ¹⁶ and (3) the "the 'brevity' . . . of the representation." ¹⁷ "If the benefits are large in comparison to the amount of time counsel spent on the case, a downward adjustment is . . . in order." ¹⁸

III. Discussion

Here, the Plaintiff's attorney would enjoy a windfall if this court approved a \$618.02 per hour rate.

Capping the fees at \$400 per hour is consistent with previous decisions in this Court and in this District.¹⁹

¹³ Gisbrecht v. Barnhart, 535 U.S. 789, 807 (2002).

¹⁴ Haves v. Sec'v of HHS, 923 F.2d 418, 419 (6th Cir. 1990).

¹⁵ Lasley v. Comm'r of Soc. Sec., 771 F.3d 308, 310 (6th Cir. 2014).

¹⁶ *Hayes*, 923 F.2d at 422.

¹⁷ Lasley, 771 F.3d at 310.

¹⁸ G*isbrecht*, 535 U.S. at 808.

¹⁹ Hyla v. Comm'r of Soc. Sec., 1:18-CV-1279, 2020 WL 3512843, at *1 (N.D. Ohio June 29, 2020); Daniels v. Colvin, 1:11-CV-806, 2017 WL 35697, at *1 (N.D. Ohio Jan. 4, 2017); Hayhurst v. Berryhill, 5:16-CV-576, 2018 WL 1122135, at *2 (N.D. Ohio Mar. 1, 2018); Hayes v. Colvin, 1:13CV2812, 2015 WL 4275506, at *3 (N.D. Ohio July 14, 2015) (collecting cases) ("Courts in this District have previously determined that an hourly rate of up to \$350 is an appropriate upper limit in awarding attorney fees pursuant to § 406(b).").

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In addition, although this Court acknowledges that the Plaintiff's counsel succeeded,

he only represented his client for 21.4 hours—a relatively brief amount of time.²⁰

Therefore, the Court reduces the attorney's fees to \$400 per hour for 21.4 hours.

The total fees award is \$8,560.

IV. Conclusion

Accordingly, this Court ORDERS payment of attorney's fees at a rate of \$400 per

hour for 21.4 hours for a total award of \$8,560. The Plaintiff's attorney must also refund

the Plaintiff the \$3,978.07 in attorney's fees this Court previously awarded under 28 U.S.C.

§ 2412.

IT IS SO ORDERED.

Dated: August 8, 2022

James S. Gwin

James S. Gwin

UNITED STATES DISTRICT JUDGE

²⁰ Doc. 15 at 2.

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